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WORLD NEWS DIGEST WITH INDEX

Reg. U.S. Pat. Off. Published Weekly
Vol. XV, No. 744 Jan. 27-Feb. 2, 1955

FEB 7 1955
UNIVERSITY OF NORTH CAROLINA

Week in Headlines

International

UN Security Council began study of Formosa Strait cease-fire plans, invited Red China to discussion.

U.S. Congress completed approval of mandate for Pres. Eisenhower to act in defense of Formosa.

Died: Danish Prime Min. Hedtoft.

United States

President sent Congress health message, proposed health reinsurance.

Congressional committee demanded end of Dixon-Yates contract.

Gen. Ridgway said Admin.'s armed forces cuts jeopardized security.

Govt. for first time invoked immunity law in demanding that witness testify about communism; ex-Red witness Matusow said he had lied at Communist trials.

Murdered: Serge Rubinstein.

WORLD AFFAIRS

CHINA

UN Starts Cease-Fire Study

Red China Invited to Talks

The UN Security Council took up the issue of bringing peace to the Formosa area Jan. 31 and invited Red China to participate in its discussions.

Chief New Zealand delegate Sir Leslie Knox Munro, president of the Security Council for January, formally requested Jan. 28 (with U. S. & British support) that the Council take up the question of a cease-fire between the 2 Chinese Govts. Munro explained that New Zealand, as a country in the Pacific, naturally viewed with alarm the hostilities in the Formosa area. His country's sole aim, he said, was to stop the fighting.

The Russian UN delegation Jan. 30 made public a proposed Security Council resolution to halt what it called U.S. "aggression" against Red China. The Soviet item called for a cease-fire in the Formosa Strait & immediate removal of U.S. armed forces from the area.

New Zealand Sponsors Plan

In a 7-hr. meeting Jan. 31, the Security Council voted 9-1 (Russia opposed, Natl. China abstaining) to make New Zealand's proposal for a cease-fire discussion the first item on its agenda. It then voted 9-1 (Natl. China opposed, Russia abstaining) for a New Zealand resolution, strongly indorsed by French delegate Henri Hoppenot, to invite Red China to participate in this discussion.

Natl. Chinese delegate T. F. Tsiang protested that it would be an "insult" to the Chinese people if the UN called upon the Communists to represent them. However, Tsiang did not attempt to have the resolution on inviting Red China classified as a matter of substance (rather than procedural), which would have made it subject to veto by Natl. China.

Secy. Gen. Hammarskjöld sent Peiping a cabled invitation Jan. 31.

The Security Council also voted Jan. 31 by 10-1 (Natl. China opposed) to make the Soviet draft resolution condemning US "aggression" against China the 2d item on the agenda. Soviet delegate Arkady A. Sobolev, talking for the Soviet resolution, assailed the New Zealand plan as a "clumsy maneuver" to prevent Red China's "liberation" of Formosa & the Pescadores. U. S. Amb.-to-UN Henry Cabot Lodge Jr. denounced as "a preposterous cold war fraud" the Soviet charge that the U. S. was bent on aggression against Red China.

After passage of the New Zealand resolutions the Council adjourned to await an official Red Chinese reply to its discussion invitation. [See p. 26A1]

Red China Hostile to Truce

The Red Chinese radio Jan. 29 reasserted Premier-Forgn. Min. Chou En-lai's advance rejection of a Formosa Strait cease-fire. It asked the UN to "take steps to check U.S. agression against China." Peiping requested the UN to force U.S. withdrawal from Formosa & adjacent waters.

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Douglas on '2 Chinas'

Assoc. U.S. Supreme Court Justice William O. Douglas said in a speech in New York Jan. 30: "The ultimate political settlement of the China problem" involves the seating of 2 Chinas in the UN. Douglas expressed support, however, of Pres. Eisenhower's decision to defend Formosa against the Red Chinese. (Senate Forgn. Relations Com. Chrmn. Walter F. George [D., Ga.] said in an interview Jan. 30: "I do not think it is time to talk about creating 2 Chinas. Eventually we may discuss the question.") [See Vol. XIV, p. 274B2]

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A Peiping broadcast Jan. 31 reported a Cabinet resolution & statements from leaders of Red China's 3 "independent" parties (Li Chi-shen of Revolutionary Kuomintang; Chiang Lan of Dem. League; Chang Po-chun of Farmers & Workers), all denouncing any Formosa cease fire. The radio also rejected Clement R. Attlee's Formosa "neutralization" proposal of Jan. 31 [see col. 3]. The Jan. 31 broadcast once again accused the U.S. of "attempting to use the threat of atomic weapons" against Red China. It asserted the Chinese Communists' confidence that they would quickly master atomic techniques. [See p. 25D3]

Moscow *Pravda* said Jan. 29 that proposals for a Formosa Strait cease-fire were "nothing less than blackmail" to force Red China to give up its sovereign rights to Formosa.

US Senate Rep. leader William F. Knowland (Calif.) said Jan. 29 he was "deeply concerned" over his belief that some UN members felt that a Formosa area cease-fire must be linked to a Natl. withdrawal from islands off the Chinese mainland. "I think it would be a sheer act of appeasement," said Knowland. [See p. 25F2]

British State China Policy

British Forgn. Secy. Anthony Eden said Jan. 28 that the UN would not ask the Red Chinese to give up "what they regard as their rights" in the Far East crisis. (Press reports from London same day said the ultimate purpose of British policy was establishment of a State of Formosa under Pres. Chiang Kai-shek and inclusion of both Natl. & Red China in the UN.)

British Labor Party leader (ex-Prime Min.) Clement R. Attlee said Jan. 31: (1) the U.S. should abandon the idea that Formosa was part of its Pacific defense ring; (2) Pres. Chiang Kai-shek & his chief Natl. officials should be exiled from Formosa; (3) Formosa's people should decide by plebiscite whether they wanted to join Red China. [See p. 26B1]

In a Parliamentary debate Feb. 1, Prime Min. Sir Winston Churchill rejected Laborite demands that Formosa be given to the Communists under terms of the Cairo Declaration of Dec. 1, 1943. (The Declaration, signed by Churchill. Pres. F. D. Roosevelt & Chiang Kai-shek, declared that Formosa should be returned to China after World War II [see Vol. III, p. 387F]. Churchill said the future sovereignty of Formosa was left undetermined by the Japanese peace treaty. [See p. 26B1]

Sir William G. Hayter, British Amb. to Russia, asked Soviet Forgn. Min. Vyacheslav M. Molotov Jan. 28 for the use of Moscow's influence with Red China to prevent any incident that might lead to "general hostilities" in

REFERENCES in brackets give location of background information in this & preceding volumes of FACTS ON FILE with Cumulative Index.

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the Far East. (Molotov replied informally same day that international tension would be lessened if the U.S. would "cease its aggressive actions in the area of Formosa." In a formal answer to Hayter's plea Jan. 31, Molotov said he had passed on to Red China the British & New Zealand views that a cease-fire was necessary to prevent the outbreak of a major war. Molotov said Russia was "alarmed by the dangerous situation" in the Formosa Strait. He again blamed the U.S. & Chiang Kai-shek.)

Nehru Offers Aid on Truce

Indian Prime Min. Jawaharlal Nehru arrived in London Jan. 29 and proclaimed India's readiness "to play a peaceful role" in the Formosa crisis. He met with Eden Jan. 30. They reportedly discussed Nehru's talk a few days previously with Red Chinese Amb.-to-India Yuan Chung-hsien. [See Vol. XIV, p. 362B1]

(Nehru came to London for the opening Jan. 31 of the first British Commonwealth Prime Ministers' conference since June, 1953. Others at the conference: Prime Mins. Churchill, Sidney G. Holland of New Zealand, Louis St. Laurent of Canada, Robert Menzies of Australia, Mohammed Ali of Pakistan, Sir John Kotelawala of Ceylon, Sid Godfrey Huggins of Rhodesia-Nysaland, Deputy Prime Min. Charles R. Swart of South Africa. The Prime Ministers reportedly discussed the Formosan crisis Feb. 1, and, with the possible exception of Nehru, reached virtual unanimity on a "2 Chinas" plan.) [Vol. XIII, 181K]

Congress Backs Formosa Defense

The U.S. Senate passed by 85-3 Jan. 28 the House-approved joint resolution giving Pres. Eisenhower discretionary powers to use U.S. forces in the defense of Formosa & the Pescadores. The President signed the resolution Jan. 29 (giving it the force of law) & said he was "deeply gratified."

Those who opposed the resolution in the Senate Jan. 28: Herbert H. Lehman (D.-Lib., N.Y.), William Langer (R., N.D.), Wayne Morse (ind., Ore.). They had voiced concern that the wide scope of the resolution could result in a U.S. war with Red China.

(The President had issued a statement Jan. 27 to dispel fears that the emergency authority he sought was for a preventive war against Red China. He emphasized that U.S. naval & air forces deployed in the Formosa area were "designed purely for defensive purposes" and that any decision to use them for other purposes would be taken by the President alone. He reiterated at his weekly news conference Feb. 2 that his purpose was "honestly & hopefully to prevent war" by making it clear to the Reds that they could not attack Formosa without resistance.) [See p. 25C1]

Before its vote Jan. 28, the Senate rejected, 83-3, an amendment offered by Langer to forbid the sending of U.S. armed forces nearer than 12 miles from the Chinese mainland. Amendments from Sens. Estes Kefauver (D., Tenn.) & Hubert H. Humphrey (D., Minn.) to exclude the Quemoy & Matsu Is. from the protected area were also defeated, 75-11 & 74-13, respectively. Humphrey offered a separate resolution Jan. 29 expressing U.S. support for UN cease-fire action in the Formosa Strait area. The resolution was referred to the Forgn. Relations Com. [See p. 25A1-G2]

(Peiping radio Jan. 27 called Pres. Eisenhower's Jan. 24 message to Congress "a barefaced war cry" & a "step in preparation for a new war.")

PW Families' Trip Barred

U.S. State Secy. John Foster Dulles ruled Jan. 27 against issuance of passports for Red China to families of 17 Americans imprisoned by Red China as spies. He sent personal letters to the families Jan. 27 explaining that the "increasingly belligerent attitude" & actions of the Chinese Reds had necessitated the decision.

Families of at least 4 prisoners had indicated they wanted to make the trip on the Communists' invitation issued through UN Secy. Gen. Dag Hammarskjöld. They were: Mr. & Mrs. Harold Fischer of Swea City, Ia.; Mrs. Marjorie Llewelyn of Missoula, Mont.; John & Irene Kiba of Akron, O.; W. G. Parks of Omaha.

13 women relatives of 11 of the prisoners met in Jacksonville, Fla. Jan. 29 as the guests of Jacksonville business men. They said in a joint statement: "We feel the State Dept.'s ruling is in the best interests . . of our loved ones in China & the nation as a whole." [See p. 26C2]

U.S. Reinforces Formosa

U.S. Far East AF Hq. in Tokyo announced Jan. 27 that the 18th Fighter-Bomber Wing, flying F-86 Sabrejets, was moving immediately from Okinawa & the Philippines to temporary duty on Formosa. Gen. Earle E. Partridge, FEAF commander, said "other FEAF offensive units are being redeployed to forward bases" on orders from Defense Secy. Charles E. Wilson. U.S. Sabrejets patrolled Formosa Strait Jan. 28.

A visit of the U.S. aircraft carrier *Midway* to Singapore was canceled Jan. 27, apparently to speed it on the way to patrol duty in Formosa Strait with the 7th Fleet. 4 U.S. destroyers previously bound for the Mediterranean & Atlantic left Singapore same day to rejoin the 7th Fleet. The cruiser *Pittsburgh* was diverted from a call at Hong Kong. (Navy Secy. Charles S. Thomas told the House Armed Services Com. in Washington Jan. 28 the Navy could handle "the situation in the Formosan Straits or any other emergency.")

Adm. Felix B. Stump, U.S. Comdr. in Chief in the Pacific, flew from Pearl Harbor for conferences in Taipeh Jan. 30 with Chiang Kai-shek & U.S. Amb. Karl L. Rankin. Stump told newsmen his forces were completely prepared to begin within hours an evacuation of Nationalist troops & civilians from the Tachen Islands.

(Press reports from Taipeh Jan. 31 indicated that the U.S. preferred to await more positive results from the UN Security Council's cease-fire action before launching a Tachens evacuation. The Natl. Chinese Govt. was reported Feb. 1 to be awaiting a concrete U.S. commitment to defend the Quemoy & Matsu Islands before giving final approval to a Tachen exodus. [See p. 26C-E1]

(Communist bombers dropped incendiaries on Lower Tachen Island Jan. 30. Nationalist bombers raided nearby Yichiang Island same day and again Feb. 1. 4 Red gunboats shelled the Nationalist-held Yushan Islands, 30 mi. northeast of the Tachens, Feb. 1.) [See p. 26F1-B2]

OTHER WORLD NEWS

U.S., France Ratify SEATO

The Senate voted 82 to 1 Feb. 1 to ratify U.S. participation in the 8-nation Southeast Asia collective defense (SEATO) treaty opposing aggression & subversion in the Western Pacific area. The lone dissenter: Sen. William Langer (R., N.D.), who denounced this new "entanglement."

French Premier Pierre Mendès-France announced Feb. 1 that Pres. René Coty's signature had ratified SEATO on behalf of France Jan. 12. [See Vol. XIV, p. 430B1]

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Germany. The West German Social Dem. Party issued a manifesto Jan. 29 urging that West Germans resist rearmament until new East-West reunification talks were held. Friedrich Middlehauve, dep. leader of the Free Dem. Party, demanded Jan. 22 a Big 4 conference on reunification and, if necessary, direct West German-Russian talks prior to rearmament. [See p. 26G2] . . . West German Govt. report Jan. 30 on East Germany's armed strength: 100,000 People's Police grouped in 2 army corps & supplied with 1,580 Russian tanks & armored cars; a 7,000-8,000-man AF equipped with light Soviet training planes; a 9,000-man navy with 60 small craft, including minelayers. [See Vol. XIV, p. 406C2]

Indo-China. Premier Ngo Dinh Diem said Jan. 20 the U.S. had agreed to a reduction of South Viet Nam's Army from 217,000 to 100,000 men plus a 150,000-man reserve. Diem also said he had asked the U.S. to train the Viet Namese forces under the overall authority of Gen. Paul Ely, French Comdr.-in-Chief. (Gen. J. Lawton Collins, Special U.S. Amb. to Viet Nam, said Jan. 30 that Diem's "genuine progress" toward military, political & economic reforms indicated "a 50-50 chance that southern Viet Nam can remain free.") [See p. 18C2] . . . Diem asked Jan. 22 for extension of the 300-day Geneva Conf. time limit (to expire May 27) for North Viet Nam civilians to go South. Diem charged Viet Minh with hindering evacuation of refugees. The Armistice Comm. was investigating refugee camps near Saigon Jan. 22 in response

FACTS ON FILE is published weekly by Facts on File, Inc., 516 Fifth Ave., New York 36, N. Y. (MUrray Hill 2-5523-4). Entered as 2d class matter June 24, 1941 at the Post Office in New York, N. Y., under the Act of March 3, 1879. Subscription $70 a year; Yearbooks (bound volumes) from 1942—$25 each. Cumulative Index published twice a month. Copyright 1955 by Facts on File, Inc. Edw. Van Westerborg, Pres.-Treas.; Fred McGhee, Secy.-Editor; Bernard Messinger, Business Manager.

to Viet Minh charges that France forced North Viet Namese to flee to the South. [See pp. 10D1, 2G1-B2]

Gen. Douglas MacArthur observed his 75th birthday Jan. 26 as guest of honor in Los Angeles where a statue of him was unveiled in MacArthur Park. He said in an address at an American Legion-sponsored dinner: world disarmament, once achieved, could be enforced by weight of public opinion, even without inspection of armaments; "the result would be magical" if the U.S. should "now proclaim our readiness to abolish war in concert with the great powers of the world"; a U.S.-Soviet war would mean "disaster" for "either side," but "the constant acceleration of preparation (may) produce a spontaneous combustion." [See Vol. XIV, pp. 261C1, 91G3]

Soviet citizens residing in the U.S. were barred Jan. 19 from photographing or sketching American military installations, ports, power plants or other strategic localities. A new State Dept. order, adding to a previous decree placing 27% of the U.S. out of bounds to Russians, also forbade their purchase of aerial photographs, large-scale maps & panoramic pictures of development plans of industrial cities. State Dept. officials said the restrictions were imposed for "security & reciprocity." (Russia recently had placed stricter camera controls on Americans. Mrs. Karl E. Sommerlatte, wife of a U.S. Embassy official in Moscow, was declared persona non grata and forced to leave the USSR Nov. 6, 1954 [her husband left with her] after she was involved in a dispute with Soviet agents while taking a photo in Moscow Oct. 27.) [See p. 2A3]

Russia announced Jan. 8 it was withdrawing its diplomatic mission from Iraq following Iraq's decision to close its legation in Moscow. [See p. 6B2] . . . **Yugoslavia & Red China** established full diplomatic relations Jan. 10 after negotiations conducted in Moscow. Yugoslavia had offered recognition to the Peiping Govt. in 1949. [See Vol. XIV, p. 370B1] . . . **Spain's** request to establish a permanent observer at the UN was granted by Secy. Gen. Dag Hammarskjöld Jan. 25. Spain became the 8th nonmember state to maintain an observer at UN Hq. in New York.

NATIONAL AFFAIRS

THE PRESIDENT

Health Message

Pres. Eisenhower submitted to Congress Jan. 31 a national health program similar in most respects to Admin. measures which Congress had rejected in 1954. Among its proposals:

Reinsurance. Key features was the President's plan for a "Fed. Health Reinsurance Svc. to encourage private health insurance organizations in offering broader benefits to insured individuals & families & coverage to more people." "A reasonable capital fund" would be used as necessary in reinsuring health insurance plans which: (1) provide "protection against the high costs of severe or prolonged illness"; (2) provided "coverage for individuals & families in predominantly rural areas," and (3) were "designed primarily for coverage of individuals & families of average or lower income against medical care costs in the home & physician's offices as well as in the hospital." The program "involves no Govt. subsidy & no Govt. competition with private insurance carriers." [See p. 21D1]

Aid Recipients. Federal funds were requested to match "state & local expenditures for the medical care needed by public assistance recipients"—the needy aged, blind, permanently disabled, dependent children.

Health Facilities. The message recommended "tested" Govt.-insured loan procedures to stimulate construction & repair of "hospitals, clinics, nursing homes & other modern technical facilities required for the protection of the people's health." It urged that insurance be limited "to less than the face amount of the loan" and that a loan, to qualify for insurance, be "for less than the full value of the property."

Personnel. The President proposed: (a) "a 5-yr. program of grants to state vocational education agencies for training practical nurses," (b) "expansion of Public Health Svc. operations to establish traineeships for graduate nurses in specialties such as nursing service administration, teaching & research," (c) "traineeships in all public health specialties, including mental health."

Public Health. The message recommended funds & authority for: (a) improvements in the Public Health Svc., Children's Bureau and Food & Drug Admin., (b) improvement of grant-in-aid programs aiding mothers, crippled children & children needing special services, (c) "greater flexibility" in state use of federal grants for public health, (d) increased research on air pollution, (e) greater aid to states for water pollution control, elimination of the June 30, 1956 termination date in the Water Pollution Control Act, (f) improvement of the status & survivor benefits of the Public Health Svc. Comm. Corps.

Mental Health. The message called for: (1) "strengthening of present aid to state & community programs for the early detection, control & alleviation of mental & emotional derangements"; (2) more financial aid for training mental health personnel; (3) "a new program of mental health project grants" to improve "the quality of care in mental institutions & the administration of the institutions" and to "search out ways of reducing the length of stay & the necessity for institutional care."

Juvenile Delinquency. The President proposed new grants to states to improve programs & services for prevention, diagnosis & treatment of juvenile delinquency.

International. The message urged greater U.S. contribution to the UN's World Health Org.

Entertains Magloire

Pres. & Mrs. Paul Eugene Magloire of Haiti arrived in Washington aboard Pres. Eisenhower's plane Jan. 26 and stayed overnight at the White House as Mr. Eisenhower's guests. They then were lodged at Blair House until Jan. 29, when they left for New York.

Magloire, 47, addressing a join session of Congress Jan. 27, thanked the U.S. for aid in projects to raise Haitian living standards, a program he considered "the most efficient weapon for fighting communism." (The U.S. gave Haiti $3,581,000 in agricultural & educational development aid since 1950, $2,740,000 in hurricane aid last year.)

In New York Jan. 31, Magloire said he hoped foreign investment & tourists would help rebuild Haitian economy. He said a 5-yr. $40 million economic development program started in 1951 had suffered from falling farm prices, a coffee crop failure in 1952-53 & 1954 hurricane damage. [See Vol. XIV, p. 352C2]

Forgn. Economic Unit Active

John D. Morris reported in the *N.Y. Times* Jan. 23 that the President's Cabinet-level Council on Forgn. Economic Policy had been "organized quietly" and was "operating on the established general staff principles of secrecy &, whenever possible, unanimity." The council was headed by Special Presidential Asst. Joseph M. Dodge. Maj. Gen. George L. Eberle (retired) had been appointed staff director. Members were the Secretaries of State, Treasury, Commerce & Agriculture, the Forgn. Operations Administrator and (ex-officio) Presidential aides Robt. Cutler, Gabriel Hauge & Dr. Arthur F. Burns. [See Vol. XIV, p. 416B1]

(Chrmn. Harry F. Byrd [D., Va.] of the Senate Finance Com. declared Jan. 16 that he would seek to end all foreign economic aid by July 1 except for "reasonable" technical assistance to underdeveloped nations. He said he would try to require budgetary accounting for "counterpart" funds piling up in foreign countries.) [See pp. 20B2, 12A2, E2]

Personnel

Pres. Eisenhower formally nominated ex-Sen. John Sherman Cooper (R., Ky.), 53, as Amb. to India Jan. 27. [See p. 28G1] . . . The President Jan. 28 nominated Gen. Electric Co. Chrmn. Philip D. Reed & *Christian Science Monitor* editor Erwin D. Canham for new terms as members of the U.S. Advisory Comm. on Information. [See Vol. XIV, p. 177F-G3] . . . The White House announced Jan. 26 that Thos. E. Stephens was resigning, effective Feb. 19, as Presidential appointment secy. He was to be replaced by Bernard M. Shanley, who was to be succeeded by Gerald A. Morgan as counsel to the President. Asst. Defense Secy. Fred A. Seaton was to replace Morgan as Presidential Administrative Asst. for Congressional liaison. [See Vol. XIII, p. 297C1]

Committee Vs. Dixon-Yates

Cancellation of the Dixon-Yates contract was recommended Jan. 28 by a straight party-line vote (10 D. vs. 8 R.) of the Joint Atomic Energy Com. The vote was on a resolution, approved by the 10 Democrats Jan. 27, which: (1) rejected the contract as "not in the public interest"; (2) rescinded action taken by the committee Nov. 13 (when Republicans were in control) which waived a statutory waiting period and allowed the contract to take effect immediately.

Pres. Eisenhower said at his news conference Feb. 2 that he would not withdraw the contract despite the resolution. He noted that the vote was "strictly upon party lines." Democrats replied that the waiver also had been approved on straight party lines. Republicans charged that the Democrats' rescission of the waiver was illegal. The Democrats said the decision was up to the courts. They also questioned the legality of the Republican action in voting the waiver when Congress was not in session. [See Vol. XIV, p. 385G1]

Sen. Clinton P. Anderson (D., N.M.), joint committee chairman, said Feb. 2 that he would file the committee's rescission resolution with the SEC, which was considering the Dixon-Yates financing plan. Dixon-Yates planned to have the Metropolitan and New York life insurance companies lend $77½ million for the $107 million project. Anderson doubted that N. Y. state insurance law would permit loans for such a large proportion or that the SEC would "approve a mortgage greater than $60 million." [See p. 22E2]

AEC Split on Contract

Atomic Energy Comm. member Thomas E. Murray told the committee Jan. 31 that the Dixon-Yates contract should be voided because the controversy was diverting the AEC's time from atomic programs. He said he had voted for the contract last year only to end the time-consuming fight and get on with essential nuclear projects. [See Vol. XIV, p. 385B2]

AEC Chrmn. Lewis L. Strauss, 59 Jan. 31, told the committee Feb. 1 that the dispute had not hampered atomic development and that the weapons program was at an "all-time high." He conceded that AEC members & employes were working longer hours at least partly because of the dispute.

Sen. Albert Gore (D., Tenn.), a committee member, urged AEC members in a telegram Feb. 1 to take a new vote on the contract in view of the committee vote to cancel it.

(Maj. Gen. Kenneth D. Nichols announced Jan. 29 that he had submitted his resignation as AEC general manager Jan. 17, effective May 1, in order to become a private consulting engineer.) [See Vol. XIV, p. 385A-C2]

House Curbs Probes

Chrmn. Howard W. Smith (D., Va.) of the House Rules Com. told the House Jan. 26 that, with Democratic & Republican backing, his committee intended to end "this matter of investigations all over creation" and would approve new inquiries only if good cases were made for them. Potential investigations, he said, would have to show they could turn up important information affecting public welfare, result in legislation or produce savings beyond their costs. (In the 83d Congress, 15 standing House committees spent $2,189,550 and 5 special House committees spent $500,000 on investigations. Resolutions for 80 new inquiries were pending.) [See Vol. XIV, p. 36C3]

Inquiries Approved

The House Rules Com. Jan. 26 approved an investigation of military spending and continuation of an inquiry into small business problems. The committee Jan. 31 approved investigations of: (a) alleged inequities in survivor benefits for armed forces members & veterans (H Res. 35); (b) the Veterans Admin. (H Res. 63); (c) complaints that the merchant marine was "dying."

The Senate Rules Com. Jan. 26 voted $100,000 for a Senate Banking Com. investigation of the stock market boom [see p. 14B3] and $200,000 for a Senate Commerce Com. probe of maritime subsidies, communications & transportation. Sen. Joseph R. McCarthy (R., Wis.) blocked a $125,000 request by Chrmn. Olin D. Johnston (D., S.C.) of the Senate Civil Svc. Com. for an inquiry into the Govt. employe loyalty program. McCarthy asked delay "until we can find out just what they want to investigate." [See p. 21G3; Vol. XIV, 432E1]

Other Investigative News

Ex-Gen. Electric Co. Vice Pres. Theodore K. Quinn charged Feb. 1, at a hearing of the Joint Com. on the Economic Report, that small & independent business was disappearing under big-business pressure. He said: the U.S. had "68 private billionaire corporations," "most of them with greater annual incomes" than the 48 states; "200 industrial giants own outright the most important half of all American industry."

Douglas Fraser, aide to CIO Pres. Walter P. Reuther, told the committee Jan. 27 that the auto industry was repeating practices which caused great unemployment in 1953-54—producing too many cars in the year's early months, thereby causing mass lay-offs in late summer & fall. Other witnesses blamed Govt. policies for coal miner distress in West Virginia, Pennsylvania & other areas and for allegedly contributing to the migration of industry from economically-depressed New England to the South. CIO Textile Workers economist Solomon Barkin told the committee Jan. 27 that 236 textile mills recently were shut down in New England, 287 in the middle Atlantic states & 117 in the South. [See p. 28A1]

Sen. Irving M. Ives (R., N.Y.) of the Senate Labor Com. Jan. 26 filed a report urging federal supervision of employe welfare & pension funds to end "abuses." A 6-mo. study, covering 26 funds, found only 7 "well managed" vs. 6 "grossly mismanaged" and 13 with "questionable practices." [See Vol. XIV, p. 439E1]

A Senate Armed Services subcommittee headed by Sen. Margaret Chase Smith (R., Me.), making its final report Jan. 11 after a 22-mo. investigation of ammunition shortages, said U.S. allies were producing too little ammunition to meet their needs in case of war. The subcommittee said this was partly due to "failure of the off-shore procurement program to measure up to expectations." It reported improvement in the ammunition situation, particularly among U.S. troops, since the investigation started, but it warned that the Air Force still was in a "weak position" on ammunition. [See Vol. XIII, p. 274C3]

Sen. John J. Williams (R., Del.) charged Feb. 1 that $72,045.71 was embezzled from the U.S. Consulate in Lahore, Pakistan during 1948-52.

Sen. Stuart Symington (D., Mo.) urged in a letter Jan. 11 to Chrmn. John L. McClellan (D., Ark.) of the Senate Govt. Operations Com. an investigation of the Forgn. Operations Admin.'s selection of the Agricultural Construction Co. of Los Angeles, "the highest of 5 bidders," for construction of grain elevators in Pakistan. Symington said the Los Angeles firm bid $2,430,980 vs. the $1,448,923 "low" bid of the Columbian Steel Tank Co. of Kansas City, Mo.

Inquiry Rules Proposed

A Senate Rules subcommittee headed by Sen. William E. Jenner (R., Ind.) proposed Jan. 6 a series of investigative rules for standing committees. It rejected demands to abolish one-man hearings or to exempt members of the press from disclosing sources of information. Among the subcommittee's proposals: (a) Giving committee majorities rather than solely the chairman the right to call meetings and form subcommittees; (b) barring questioning of witnesses by persons other than committee members or staff; (c) permitting witnesses to have counsel unless a majority of members present decided otherwise; (d) making hearing transcripts available to witnesses & persons mentioned in them; (e) allowing persons mentioned in testimony to request the right of a hearing or of filing a statement, with approval at the committee's discretion. [See Vol. XIV, p. 236F3]

Legislative Action

A measure (HR587) extending GI educational benefits for those in the armed forces on Jan. 31 was passed by 366-0 House vote and sent to the Senate Jan. 27. Eligible men would be able to earn up to 3 years' Govt.-paid education on the basis of 3 days of education for every 2 days served. (Average value of Korea GI Bill educational benefits for men with 3 years' entitlement was about $5,000. Total cost to the Govt. so far: about $500 million.) [See p. 29D1]

The House Jan. 26 unanimously approved and sent to the Senate a bill (HR2576) extending the Reorg. Act for 3 years (to Apr. 1, 1958). A 2-yr. extension measure (S613) was pending in the Senate. [See p. 22E2]

Bills to raise salaries of Congress members & federal judges were approved Feb. 1 by the Senate Judiciary Com. & by a House Judiciary subcommittee [see p. 11B3]. Present & proposed annual pay scales:

	Present	House Bill	Senate Bill
Senate & House members*	$15,000	$25,000	$22,500
Vice Pres. & Speaker†	40,000	40,000	45,000
Dist. Customs & Tax Court judges	15,000	22,500	22,500
Appeals judges	17,500	25,000	25,500
Supreme Court Justices	25,000	35,000	34,500
Chief Justice	25,500	35,500	35,000

Including taxable allowances of *$2,500, †$10,000.

An 11-bill civil rights "package" was introduced by Sen. Hubert H. Humphrey (D., Minn.) Feb. 1. 18 co-sponsors signed one or more of the 11 proposals. The measures favored equal job opportunities, creation of a Civil Rights Comm., protection against lynching, a ban on poll taxes in national elections, protection of political rights, enactment of an omnibus civil rights bill. [See Vol. XIII, p. 14E]

Opponents of the Admin. reciprocal trade program charged at a House Ways & Means Com. hearing Jan. 28 that increasing oil imports from the Middle East, "under the shadow of Russia," imperiled U.S. security. J. P. Coleman, pres. of Natl. Stripper Well Assn., said oil imports had increased since World War II from about 400,000 bbls. a day to more than 1,200,000 bbls. Simultaneously domestic producers had suffered such market losses, he said, that they had to close down capacity of more than 1½ million bbls. a day in 1954 and expected to increase the shutdown to more than 2 million bbls. a day in 1955. [See p. 28G2; XIV, 237B3]

Committee Notes

The Joint Com. on Internal Revenue Taxation Jan. 24 chose Rep. Jere Cooper (D., Tenn.) as chairman & Sen. Harry F. Byrd (D., Va.) as vice-chairman. . . . The House Judiciary Com. Jan. 27 approved the membership of a 5-man Monopoly Subcom. under the chairmanship of Rep. Emanuel Celler (D., N. Y.). . . . A resolution setting up a special Small Business Com. was approved by the House Jan. 27.

ARMED FORCES

Strength Cuts Disputed

Gen. Matthew B. Ridgway, Army Chief of Staff‡, told the House Armed Services Com. Jan. 31 that scheduled Army manpower cuts would "jeopardize [U. S.] security to a degree." "I think we should not reduce it," he said. [See p. 19G3]

Ridgway testified as Democratic Congress members assailed the wisdom of military cuts in the face of a "dangerous" situation in the Far East. [See p. 33B1]

Chrmn. Carl Vinson (D., Ga.) of the committee said the Admin. had no legal right, without consulting appropriate Congressional committees, to cut Army strength from the level of 1,175,000 which Congress had authorized in appropriating defense funds for fiscal 1955.

Ridgway refused to tell in open session whether the Army high command & Joint Chiefs of Staff had approved the cuts. Rep. Paul J. Kilday (D., Tex.) said spokesmen for the other services had "begged that they not be required to answer" the same question publicly.

Split on Weapons' Effect

Army Secy. Robert T. Stevens, testifying at the Jan. 31 session, indicated he had opposed the cuts but had "adjusted my thinking" and accepted them "completely." He said the manpower program was subject to change if events proved necessary and that new weapons enabled the Army to maintain effectiveness with fewer men.

Ridgway, however, said new weapons made "more rather than fewer men" necessary because combat zones would be broadened tremendously and there would be greater "need for rapid assembly, dispersal & reassembly." He said civilian reserves would need at least 8-9 months to provide minimum battle requirements for organized units of divisional strength. [See Vol. XIV, p. 433C-D3]

Allies' Role Emphasized

Defense Secy. Charles E. Wilson told the committee Jan. 26 that the U. S.' allies were being assigned greater responsibility for defense against "local" aggressions.

Wilson said he saw no need of any "important increase" in U. S. military manpower "short of war." "I think we have a very powerful military force that is getting better all the time," he declared. He reported great improvement in planes, weapons & equipment and said that "the quality of our retaliatory force is now becoming increasingly more important than its size." [See p. 25G2]

Adm. Arthur W. Radford, Joint Chiefs of Staff chairman, told the committee Jan. 26 that free world nations "provide a pool of collective strength." He said their forces "must generally complement each other" and would reach a necessary "balance" if each nation contributed "those forces & facilities that it is most proficient in & best capable of developing." In the U. S.' case, he said, "the most effective contribution . . . consists of complex technical weapons & highly mobile offensive combat forces backed up by ready reserves" whereas "the [other] free nations can most efficiently provide in their own & adjacent countries the bulk of the defensive ground forces & local naval & air power." [See p. 3E1]

Radford said that the 2,850,000-man military establishment planned by Pres. Eisenhower for mid-1956 was generally about the size of the force the U.S. "must be prepared to maintain" for 10 or 50 years or for "as long as the Communist threat hangs over our head." [See p. 2A1]

Naval Cuts Defended

Navy Secy. Charles S. Thomas assured the committee Jan. 28 that the Navy & Marine Corps could maintain & increase striking power despite budget cuts reducing manpower and dropping 100 vessels, mainly amphibious & auxiliary, from the fleet. He was supported in this view by Adm. Robert B. Carney, Chief of Naval Operations, & Gen. Lemuel C. Shepherd Jr., Marine Corps commandant. Thomas testified that "if a major conflict should occur now or in the future, this naval program is still designed to withstand the initial onslaught, to contribute immediately to the nation's retaliatory power and to provide a base for full & rapid mobilization." (Thomas told the committee that the Navy had started work on atomic engines "much more advanced, much lighter & capable of producing much greater power" than the atomic engine of the submarine *Nautilus*.) [See pp. 34F2, 22F1, 20F1, A2]

OTHER U.S. NEWS

Immunity Ordered in Red Probe

Fed. Dist. Judge Edward Weinfeld ordered in New York Feb. 1 that William Ludwig Ullman, 47, ex-AF major & Treasury aide, be granted immunity from prosecution & compelled to testify before a grand jury investigating wartime Communist spying in the Govt. It was the first use of a 1954 law enabling the Justice Dept. to force testimony from witnesses invoking the 5th Amend. in cases involving security. [See Vol. XIV, p. 285B1; XIII, 413F3]

Matusow Says He Lied

Ex-Communist Harvey Matusow declared in a forthcoming book, *False Witness*, and in affidavits filed in El Paso, Tex. Jan. 28 & New York Jan. 31 that he had lied deliberately & repeatedly as a professional Govt. witness at Communist trials & Congressional hearings. [See Vol. XIV, p. 437A3; XIII, 153J-K]

Matusow said in the N.Y. affidavit that Roy M. Cohn had helped him create false testimony for the N.Y. trial of 13 convicted 2d-string Communist leaders. Cohn was then an assistant U.S. attorney, later chief counsel of the Senate Investigations Subcom. under Sen. Joseph R. McCarthy. Matusow said that in one of several instances, Cohn formulated false testimony and he (Matusow) memorized it and repeated it at the trial. Matusow said he had testified falsely against defendants Pettis Perry, Alexander Trachtenberg, Arnold Johnson & George Blake Charney and also concerning Beatrice Siskind, who was not a defendant. His affidavit was used in a plea for a new trial. [See p. 13C3]

Cohn said Jan. 31 that Matusow's affidavit was a "Communist maneuver," that he had interviewed Matusow "in the presence of FBI agents," left the U.S. "before I even knew if he was to be a witness" and was at an Intl. Bar Conf. in Spain when Matusow testified. [See Vol. XIV, pp. 401E1, 326E1, 310D3]

Matusow said in the El Paso affidavit that he gave "deliberately

‡Army Secy. Stevens announced Jan. 20 that Ridgway would be kept as Army Chief of Staff beyond his Mar. 31 "normal retirement date." He will reach the retirement age of 60 Mar. 3.

false" testimony against Clinton Jencks, who received a 5-yr. jail sentence on conviction of filing a false non-Communist affidavit in 1950 as pres. of Local 890, Intl. Union of Mine, Mill & Smelter Workers. Fed. Judge R. E. Thomason Feb. 1 granted Jencks a new trial.

Court Decisions

The Supreme Court ruled Jan. 31 that professional boxing & the legitimate theater were subject to the Sherman Anti-Trust Act. Justices Felix Frankfurter & Sherman Minton dissented in the boxing case on grounds boxing bouts were intrastate exhibitions—the same as pro baseball games, whose immunity from trust laws had been pronounced by the court in 1922 and reaffirmed by the court in 1953 [see Vol. XIII, p. 380E1]. The decisions gave the Justice Dept. a basis for re-opening trust proceedings against the Shubert theatrical interests [see Vol. XIII, p. 438E2] & the Intl. Boxing Club & associates. [See Vol. XIV, p. 48G3]

Govt. efforts to recoup some "windfall" housing profits as additional taxes were defeated Jan. 31 when the 16-member U.S. Tax Court ruled unanimously in a test case that the Gross-Morton interests (Geo. M. & Alfred Gross, their brother-in-law Lawrence Morton, their wives & their children) had correctly reported as long-term capital gains $6 million in "windfalls" from Glen Oaks Village in Queens (N.Y.C.) & Mars Homes in Baltimore. [See Vol. XIV, pp. 365B-C3, 332B3, 141G2]

FOREIGN

British Princess Margaret arrived in Trinidad Feb. 1 to begin a month's tour of the British West Indies [see Vol. XIV, p. 288F3]. Britain reported Jan. 21 that 35 Britons had net incomes exceeding £6,000 ($16,800) after taxes in fiscal 1952-53 [see Vol. XIII, p. 29G]. The Bank of England raised its interest rate from 3% to 3½% on money lent to financial institutions (anti-inflation action) Jan. 27. [See p. 5F3]

French Natl. Assembly rejected by 325-286 Jan. 31 & 580-34 Feb. 1 requests by Premier Pierre Mendès-France for provisional appropriations for Govt. expenses in advance of regular appropriations [see Vol. XIV, p. 374E3]. Gaullist Deputy Jacques Soustelle was named Gov. Gen. of Algeria Jan. 26 to succeed Roger Leonard. Soustelle apparently was chosen to placate Gaullists who threatened to quit the Cabinet over prospective French concessions to Tunisian Nationalists [see p. 6C1]. Cabinet changes Jan. 20: ex-Premier Edgar Faure, Rad. Soc., to relieve Mendès-France of the Foreign Ministry; Robert Buron, MRP, to replace Faure as Finance Min.; Jean Jacques Juglas, MRP, to succeed Buron as Overseas France Min.; Jacques Chevallier, Ind. Rep., as Defense Min. succeeding Emanuel Temple, Ind. Rep., who replaced Justice Min. Guerin de Beaumont (made Min. Without Portfolio because of illness); Maurice Bourges-Mounoury, Rad., as Armed Forces Min.; Diomede Catroux, Gaullist, as Armaments Min. [see Vol. XIV, p. 299C3]. France reported Jan. 28 that its exports gained 18% last year over the 1953 total. The trade deficit totaled 9.679 billion francs ($27,656,000) as against 51.521 billion francs ($147,202,000) in 1953. [Vol. XIII, 399E2]

Italian Communist Party leader Palmiro Togliatti retained control of the party Jan. 18 after defeating a movement led by Pietro Secchia & Luigo Longo to unseat him during a party conference on charges that he followed a "weak" policy of coexistence. The party reported Jan. 8 its membership totaled 2,145,317 adults (up 11,000 in one year), 430,908 of non-voting age (down 12,000) [see Vol. XIV, p. 130D1; XIII, 73E]. The Italian Cabinet approved Jan. 29 a 1955-56 budget of 2.726 trillion lire ($4.360 billion) in expenditures, 2.446 trillion lire ($3.9 billion) in revenue. Prof. Rafaele Paolucci de Valmaggiore, consulting physician to Pope Pius XII, was named Natl. Monarchist Party president Jan. 22.

Japanese Premier Ichiro Hatoyama received a formal note from Soviet Forgn. Min. Vyacheslav M. Molotov Jan. 25 suggesting that Japan & the USSR settle territorial disputes & end their state of war, it was disclosed in Tokyo Jan. 29 [see Vol. XIV, p. 430E1]. Hatoyama dissolved the Diet Jan. 24 and called for national elections Feb. 27. [See Vol. XIV, p. 418C2]

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USSR Communist Party's Central Com. issued a policy statement Feb. 2 calling for a shift in economic emphasis from consumer to heavy industrial production to safeguard "our whole national economy (&) unbreakable defense capacity." New agricultural goals called for utilization of virgin soil and increased production of livestock & grain. [See p. 27B1] . . . **Egypt** carried out the execution by hanging Jan. 31 of Dr. Moussa Lieto Marzouk, 28, a Cairo surgeon (French citizen), & Samuel Azar, 26, Alexandria teacher, as Israeli spies. Mass meetings in Israeli cities Jan. 31-Feb. 1 denounced the executions. [See Vol. XIV, p. 426F2] . . . **Norwegian** Labor Party Cabinet installed by Premier Einar Gerhardsen Jan. 21: Mons Lid (Finance Min.), Arne Skaug (Commerce), Olav Meisdalshagen (Agri.), Jene Christian Hauge (Justice), Kolbjorn Varmann (Commuctns.), Nils Luso (Fisheries). [See p. 22B2] . . . **Kenya** Govt. reported Jan. 29 that 7,811 Mau Mau had been killed, 1,193 wounded & thousands captured or interned since Oct. 1952. The Mau Mau had killed 30 Europeans, 19 Asians, 1,316 African civilians. [See Vol. XIV, p. 375E1]

Brazilian Transport Min. Lucas Lopes resigned from the Cabinet Jan. 28 to support Gov. Juscelino Kubitschek of Minas Gerais State as a candidate for President in elections next October. Most Social Dem. Party leaders favored Kubitschek, but Pres. João Café Filho & Army leaders demanded that Brazilian parties settle on a "Natl. Union" candidate. [See p. 14B2; Vol. XIV, 286C1-C2] . . . **Costa Rica** reported 10 rebels, including Claudio Mora Molina, a leader, killed Jan. 29 and 8 captured Feb. 1 near the Nicaraguan border. The Costa Rican press said Jan. 31 that 62 persons had been jailed for complicity in the revolt and warrants issued for 30 exiles, including ex-Pres. Teodoro Picado & his son, Teodoro Jr. [See p. 302E2-C3] . . . **Cuba's** military rule ended Jan. 28 when Fulgencio Batista was inaugurated to an elective term as President. The new Congress contained 114 House Representatives & 36 Senators of the majority coalition, 16 Representatives & 18 Senators of the Autentico opposition. [See Vol. XIV, p. 366D2] . . . **Guatemalan** Govt. announced Jan. 28 that 417 persons had been arrested for the abortive Jan. 20 rebellion. The Govt. said Jan. 29 that the plot was Communist-inspired and led by Col. Francisco Cosenza, who took refuge in the Salvadoran Embassy, & Capt. Francisco Berrios, still at large. [See p. 30D3]

BUSINESS

Consumers' installment credit outstanding in the U.S. Dec. 31 totaled $22,467,000,000, a record high, the Fed. Reserve Bd. reported Jan. 31. [See p. 7A2] . . . **Amer. Fed. of Labor** predicted in a report Jan. 31 a round of "substantial" wage increases & increased production this year despite a rise in unemployment averaging 750,000 to 1,000,000 a month (due to armed forces cutbacks, development of labor-saving & more efficient factory operations and increased use of electronic "automation" control of plant equipment). [See Vol. XIV, p. 333C3] . . . **Louis E. Wolfson,** 43, head of a group seeking to win control of Montgomery Ward & Co., won a Circuit Court ruling in Chicago Feb. 1 that the company's system of electing only 3 of its 9 directors each year was illegal under the Illinois Constitution. [See Vol. XIV, p. 342F1] . . . **Scripto, Inc.** placed on sale in New York Jan. 31 a ballpoint pencil using a new dry, erasable liquidized graphite lead.

COMPANY EARNINGS

(Year's net and per-common-share profits)

Air Reduction Co., Inc. 1954—$6,337,725, $1.86; 1953—$6,766,356, $2.06. . . . **Allied Chemical & Dye Corp.** *1954—$43,071,766, $4.85; 1953—$45,171,647, $5.10. . . . **American Gas & Elec. Co.** *1954—$32,358,810, $2.52; 1953—$30,950,456, $2.49. . . . **American-Marietta Co.** †*1954—$5,466,228; 1953—$3,809,406. . . . **Amer. Motors Corp.** ‡*1954 net loss $11,071,237. [See Vol. XIV, p. 102C2] . . . **Amer. Tel. & Tel. Co.** (excluding subsidiaries) *1954—$480,460,000, $10.41; 1953—$421,485,570, $10.32. . . . **Arkansas Pwr. & Light Co.** *1954—$8,507,485; 1953—$6,293,598. . . . **Armour & Co.** §1954—**$5,064,092** (including $3,507,000 prior years' tax credit), $.51; 1953—$10,339,164, $1.81. . . . **Ashland Oil & Refining Co.** ‡1954—$6,628,076, $.92; 1953—$8,407,616, $1.26. . . . **Atchison, Topeka & Santa Fe Ry.** *1954—$66,172,950, $12.35; 1953—$77,185,997, $14.62. . . . **Atlantic Coast Line R.R.** *1954—$11,747,486, $14.26; 1953—$12,028,994, $14.60.

Bendix Aviation Corp. ‡1954—$25,537,771, $11.23; 1953—$17,352,710, $8.20. . . . **Bethlehem Steel Corp.** *1954—$132,837,154, $13.18; 1953—$133,947,837, $13.30. . . . **Budd Co.** *1954—$6,292,424, $1.60; 1953—$10,829,303, $2.88.

Canada Cement Co., Ltd. †1954—$6,350,147, $8.55; 1953—$5,454,965, $6.97. . . . **Canadian Breweries, Ltd.** ¶1954—$7,939,624, $3.10; 1953—$7,679,494, $3.06. . . . **Carolina Pwr. & Light Co.**

*Preliminary †Yr. to Nov. 30 ‡Yr. Sept. 30 ¶Yr. Oct. 31

*1954—$7,846,241, $1.62; 1953—$7,319,255, $1.50. . . . **Carrier Corp.** ¶1954—$6,863,013, $4.96; 1953—$6,107,134, $4.17. . . . **Caterpillar Tractor Co.** 1954—$25,129,239, $5.83; 1953—$20,254,514, $4.84. . . . **Central Maine Pwr. Co.** 1954—$5,950,453, $1.89; 1953—$4,554,210, $1.45. . . . **Chesapeake & Ohio Ry.** 1954—$39,900,000, $5.01; 1953—$48,-100,000, $6.04 (before sinking fund appropriations). . . . **Chicago, Burlington & Quincy R.R.** *1954—$23,011,720, $13.47; 1953—$25,661,506, $15.02. . . . **Chicago, Milwaukee, St. Paul & Pacific R. R.** *1954—$9,140,798; 1953—$9,258,013 (after sinking funds). . . . **Chicago, Rock Island & Pacific R. R.** *1954—$18,669,138, $10.96; 1953—$25,912,087, $16.07. . . . **Consolidated Edison of N. Y.** 1954—$50,289,300, $2.98; 1953—$49,578,554, $2.94. . . . **Consumers Pwr. Co.** *1954—$26,551,696, $3.10; 1953—$24,836,390, $3.18. . . . **Cudahy Packing Co.** §1954—net loss $7,162,254; 1953 profit—$542,677.

Dana Corp. a1954—$9,638,402 (not including $2,-646,320 special credit from sale of investment), $3.74; 1953—$11,144,821, $4.35. . . . **Deere & Co.** ¶1954—$20,620,616, $2.76; 1953 — $24,737,531, $3.37. . . . **Denver & Rio Grande West'n Ry.** *1954—$10,188,349; 1953—$9,850,423. . . . **Dresser Industries, Inc.** ¶1954—$7,362,891 (incl. $553,231 tax refund), $5.53; 1953—$5,124,310, $3.80.

Erie R.R. Co. *1954—$6,378,652, $1.78; 1953—$12,581,603, $4.31 (before capital & sinking funds). . . . **Federated Dept. Stores, Inc.** 1954 (52 weeks to Oct. 30) $16,237,226, $4.42; 1953—$13,258,345, $3.54. . . . **Firestone Tire & Rubber Co.** ¶1954—$40,509,944 (after deducting $1,599,615 of unremitted income from forgn. subsidiaries), $10.04; 1953—$46,748,971, $11.77. . . . **Freeport Sulphur Co.** 1954—$10,083,937, $4.20; 1953—$8,536,335, $3.56.

Gen. Motors Corp. *1954—$806 million, $9.08; 1953—$598,119,478, $6.71. . . . **Georgia Pwr. Co.** *1954—$13,049,057; 1953—$12,527,174. . . . **Glidden Co.** ¶1954—$7,093,043, $3.09; 1953—$7,109,-272, $3.10. . . . **Great North'n Ry.** *1954—$25,-441,459, $4.21; 1953—$29,942,607, $4.92. . . . **Gulf, Mobile & Ohio R.R.** *1954—$5,898,001; 1953—$7,718,046. . . . **Hercules Powder Co.** 1954—$14,140,070, $5.10; 1953—$11,680,854, $4.20. . . . **Houston Lighting & Pwr. Co.** 1954—$13,112,631, $2.30; 1953—$10,311,738, $1.99.

Ideal Cement Co. 1954—$11,095,869, $3.37; 1953—$7,725,077, $2.34. . . . **Illinois Central R.R.** *1954—$22,014,194, $7.68; 1953—$26,369,081, $9.29 (before reserve funds). . . . **Imperial Oil, Ltd.** *1954 — $49,500,000, $1.66; 1953 — $47,984,515, $1.61. . . . **Inland Steel Co.** *1954—$41,287,152, $7.92; 1953—$33,867,184, $6.90. . . . **Intl. Harvester Co.** ¶1954—$36,303,833, $2.24; 1953—$52,-029,417 (incl. $3,826,000 tax credit), $3.46.

Jones & Laughlin Steel Corp. *1954—$24,032,000, $3.80; 1953—$31,015,000, $4.77. . . . **Kansas City Pwr. & Light Co.** *1954—$7,129,897, $2.33; 1953—$6,521,293, $2.42. . . . **Kennecott Copper Corp.** *1954—$77,858,531, $7.19; 1953—$88,753,873, $8.20. . . . **Liggett & Myers Tobacco Co.** 1954—$22,201,364, $5.30; 1953—$22,978,576, $5.50. . . . **Loew's, Inc.** a1954—$6,577,311, $1.28; 1953—$4,-380,603, $.85. . . . **Long Island Lighting Co.** *1954—$9,242,162 (after $684,000 hurricane damage), $1.29; 1953—$7,732,803, $1.28. . . . **Louisville & Nashville R.R.** *1954—$18,926,644, $8.09; 1953—$30,653,516, $13.10.

MacMillan & Bloedel, Ltd. ‡1954—$12,759,572, $2.41; 1953—$11,315,668, $2.14. . . . **Marathon Corp.** ¶1954—$7,489,082, $2.01; 1953—$5,844,726, $1.55. . . . **Missouri Pacific R.R.** *1954—$11,923,-857; 1953—$10,771,491. . . . **Monsanto Chemical Co.** *1954— $23,700,510, $4.39; 1953—$26,283,205, $4.88. . . . **Montana Pwr. Co.** *1954—$7,392,229, $2.53; 1953—$7,452,363, $2.62. . . . **Natl. Biscuit Co.** *1954—$19,911,929, $2.85; 1953—$18,145,160, $2.61. . . . **N. Y. Central R.R.** *1954—$9,187,509, $1.42; 1953—$34,002,039, $5.27. . . . **N. Y. Telephone Co.** 1954—$62,248,040, $7.55; 1953—$64,-500,781, $8.26. . . . **Norfolk & West'n Ry.** *1954—$25,840,324, $4.44; 1953—$27,626,544, $4.75. . . . **North Amer. Aviation, Inc.** ‡1954—$22,179,736, $6.46; 1953—$12,773,361, $3.72. . . . **North'n Pacific Ry.** *1954—$14,358,045, $5.79; 1953—$15,-539,178, $6.27.

Ohio Edison Co. *1954—$20,270,680, $3.02; 1953—$19,328,745, $3.15. . . . **Oklahoma Gas & Elec. Co.** *1954—$6,794,674, $2.18; 1953—$5,997,285, $1.90. . . . **Outboard, Marine & Mfg.** ‡1954—$5,458,297, $2.55; 1953—$3,019,197, $1.41. . . . **Owens-Corning Fiberglas Co.** 1954—$8,412,230, $2.68; 1953—$5,355,934, $1.70. . . . **Pacific Lighting Corp.** *1954—$15,578,506, $2.38; 1953—$13,-306,519, $2.30. . . . **Pennsylvania Pwr. & Light Co.** *1954 — $19,638,930, $2.88; 1953 — $17,840,848, $2.94. . . . **Pennsylvania R.R.** *1954—$18,552,235, $1.41; 1953—$38,875,228, $2.95. . . . **Public Svc. Elec. & Gas Co.** *1954—$27,541,724, $2.00; 1953—$25,562,807, $1.99.

Ralston Purina Co. ‡1954—$15,483,941, $12.23; 1953—$9,656,850, $7.55. . . . **Ravonier, Inc.** *1954—$11,860,000, $5.12; 1953—$10,637,166, $4.72. . . . **Reading Co.** *1954—$9,189,566, $4.56; 1953—$12,-481,217, $6.92. . . . **Republic Steel Co.** *1954—$52,875,164, $7.10; 1953—$56,743,547, $9.25. . . . **Rochester Gas & Elec. Co.** *1954—$5,466,411, $3.20; 1953—$5,439,515, $3.30. . . . **St. Louis-San Francisco Ry.** *1954—$7,267,046, $2.39; 1953—$11,890,-375, $5.02 (after sinking funds). . . . **St. Regis Paper Co.** *1954—$14,931,000, $2.62; 1953—$16,-156,903, $2.91. . . . **Seaboard Air Line R.R.** *1954—$20,132,570, $8.56; 1953—$20,907,833, $8.90. . . . **Servel, Inc.** §1954 net loss $8,157,765; 1953 net loss $1,983,511. . . . **Shell Oil Co.** *1954—$121 million, $4.40; 1953—$115,400,000, $4.20. . . . **Southern Co.** *1954—$23,368,065, $1.29; 1953—$22,369,897, $1.23. . . . **South'n Natural Gas Co.** *1954—$6,491,643, $1.89; 1953—$7,036,615, $2.06. . . . **South'n Ry.** *1954—$26,262,681, $8.95; 1953—$33,190,325, $11.62. . . . **Sun Oil Co.** *1954—$40,343,791, $4.17; 1953—$45,153,602, $4.67. . . . **Swift & Co.** §1954—$19,050,891, $3.22; 1953—$33,-903,294, $5.27.

Texas Pacific Coal & Oil Co. *1954—$7,850,000, $4.43; 1953—$7,599,068, $4.29. . . . **Toledo Edison Co.** *1954—$5,755,147, $1.02; 1953—$5,330,150, $.93. . . . **Union Pacific R.R.** *1954—$69,622,665, $14.76; 1953—$70,965,340, $15.07. . . . **U. S. Steel Corp.** *1954—$195,236,672, $6.45; 1953—$222,087,840, $7.54. . . . **Virginia Elec. & Pwr. Co.** *1954 — $16,795,622, $2.20; 1953 — $12,949,602, $1.78. . . . **Virginian Ry.** *1954—$6,321,362, $3.71; 1953—$5,449,279, $3.02. . . . **W. Va. Pulp & Paper Co.** §1954—$13,096,000 (incl. operations of Hinde & Dauch Paper Co., acquired during 1954), $2.57; 1953—$10,736,000, $2.83. . . . **Wheeling Steel Corp.** *1954—$9,595,740, $5.48; 1953—$12,458,311, $7.49. . . . **Youngstown Sheet & Tube Co.** 1954—$20,182,500, $6.02; 1953—$30,839,716, $9.21.

*Preliminary †Yr. to Nov. 30 ‡Yr. Sept. 30
§Yr. Oct. 30 ¶Yr. Oct. 31 aYr. Aug. 31

ARTS & SCIENCE

Atomic Development. A portable X-ray camera weighing 48 lb. and using radioactive thulium was demonstrated by the Army in Washington Jan. 28 [see Vol. XIV, p. 123B2]. The Food & Drug Admin. reported Jan. 29 that common drug preparations protected in wooden boxes remained fit for immediate use after they were exposed to a Nevada test atomic explosion (1,000 yd. from ground zero) in 1953. . . . Prof Emilio Segré reported at an Amer. Physical Society meeting in New York Jan. 29 that the proton of the hydrogen atom had been polarized in experiments at the U. of California. [See Vol. XIV, p. 239E1] . . . "Successful experiments" by Soviet physicist V. P. Romadin to develop an atomic-powered automobile were reported Jan. 29 in the East Berlin *Lausitzer Rundschau.* [See pp. 18C3, 31E2, 22F1]

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Electronic inventions newly announced by RCA Chrmn. David Sarnoff at a meeting of the Amer. Inst. of Electrical Engrs. in New York Jan. 31: a sound synthesizer capable of reproducing any musical, vocal or other sound and creating some sounds hitherto unknown on earth; a non-mechanical water freezer. Sarnoff described also an electronic light amplifier and magnetic tape recorder of color & black-&-white TV programs developed by RCA. [See Vol. XIV, pp. 31D1, 15B1] . . . **New insecticide** DDVP (diamethyl dichloro vinyl phosphate) developed by Dr. Geo. W. Pearce (chief of the Communicable Diseases Center, Savannah, Ga.) and chemists Arnold M. Mattson & Jane T. Spillane was announced Feb. 1 by Health-Edctn.-Welfare Secy. Oveta Culp Hobby. She said 8 grams of DDVP had proved as effective as 10,000 grams of DDT in an experiment and that DDVP soon became harmless to humans when used on crops. [See Vol. XIV, p. 79E1] . . . **Wind velocity** of 392 mph. at an altitude of 20,000 feet over Philadelphia Jan. 23 was the highest known ever recorded on earth, the USWB reported Jan. 24. . . . **Antarctic** expedition aboard the *U.S.S. Atka* reported from Little America Jan. 14 that ice movements had divided the site of the 1947 Byrd expedition's camp and destroyed the Bay of Whales. Lt. (jg) John P. Moore of Lenoir, N.C. was killed Jan. 22 when his helicopter crashed at Kainan Bay near Little America. (The *Atka* expedition was beginning a survey preliminary to U.S. participation in the 1957-58 Intl. Geophysical Year project.) [See Vol. XIV, p. 419C2] . . . **Crustacean** Hutchinsoniella macracantha, a creature 1/10 in. long regarded as a "missing link" between major groups of crustaceans, was reported Jan. 26 to have been discovered in Long Island Sound by Howard L. Sanders of Newark, N.J., a Yale graduate student.

Ray Brennan, *Chicago Sun-Times* reporter, won dismissal in Washington Jan. 17 of federal charges that he impersonated a federal employe to get a transcript of a Senate Crime Investigating Com. closed hearing in 1951. [See Vol. XIV, p. 224F2] . . . **Willie Cooke,** 31, of Four Oaks, N.C., died of hemophilia Jan. 24 in Durham, N.C. after he had bled continuously for 422 hrs. and received transfusions of 232 pints of whole blood & 168 pints of plasma (believed to be the most blood administered to one patient in medical history).

LEADING JANUARY FILMS

New York Releases

The Beachcomber. Somerset Maugham's tale of tropical island drunkard rehabilitated by love of missionary lady. Screenplay by Sidney Box. Directed by Muriel Box. Produced by Wm. MacQuitty in Technicolor for London Independent Prod.; J. Arthur Rank Org. release. With Robt. Newton, Glynis Johns, Paul Rogers, Donald Sinden, Donald Plesence. Jan. 16.

The Bridges at Toko-Ri. Wm. Holden as World War II veteran forced into Korean war as Navy jet pilot. Screenplay by Valentine Davies from Jas. A. Michener's novel. Directed by Mark Robson. Produced by Wm. Perlberg & Geo. Seaton in Technicolor for Paramount. With Grace Kelly, Fredric March, Mickey Rooney, Robt. Strauss. Jan. 20.

The Green Scarf. British mystery in which blind deaf-mute is accused of murder. Screenplay by Gordon Wellesley. Directed by Geo. More O'Ferrell. Produced by Bertram Ostrer & Albert Fennell for Assoc. Artists Prod. With Michael Redgrave, Kieron Moore, Ann Todd, Leo Genn. Jan. 14.

Holiday for Henrietta. French satire on movie making. Screenplay by Henri Jeanson & Julien Duvivier. Regina-Filsonor Prod. With Dany Robin, Hildegarde Neff, Michel Auclair, Michel Roux. Jan. 24.

Prince of Players. De Luxe color version of lives of actor Edwin Booth & his brother John Wilkes Booth, Lincoln's assassin. Screenplay by Moss Hart based on Eleanor Ruggles' book. Directed & produced by Philip Dunne for 20th Century-Fox. With Richard Burton, John Derek, Maggie McNamara, Raymond Massey, Chas. Bickford, Eva Le Gallienne. Jan. 11.

Six Bridges to Cross. Tony Curtis as young hoodlum who masterminds $2½ million robbery. Screenplay by Sidney Boehm, based on Jos. Dineen's story. Directed by Jos. Pevney. Produced by Aaron Rosenberg for Universal-Intl. With Julie Adams, Geo. Nader, J. C. Flippen. Jan. 21.

Unchained. Ex-football hero Elroy (Crazy Legs) Hirsch as convict rehabilitated by honor-system Chino Prison, Calif. Written, directed & produced by Hall Bartlett. Based on Kenyon Scudder's book. Presented by Warner Bros. With Chester Morris, Barbara Hale, Todd Duncan, Johnny Johnston. Jan. 27.

The Violent Men. Cattle-baron Edw. G. Robinson tries to build empire aided by wife, Barbara Stanwyck, who wants it for herself. Screenplay by Harry Kleiner. Directed by Rudolph Maté. Pro-

duced by Lewis J. Rachmil in Technicolor for Columbia. With Glenn Ford, Dianne Foster, May Wynn, Brian Keith. Jan. 26.

West of Zanzibar. Kenya game warden tries to prevent ivory smuggling. Screenplay by Max Catto & Jack Whittingham. Directed by Harry Watt. Produced by Leslie Norman for Michael Balcon & Schlesinger Org. J. Arthur Rank release. With Anthony Steel, Sheila Sim, Edric Connor, Orlando Martins. Jan. 17.

Young At Heart. Frank Sinatra as unhappy musician who disrupts emotional balance of an entire family. Screenplay by Lenore Coffee & Julius J. Epstein. Directed by Gordon Douglas. Produced in WarnerColor by Henry Blanke for Warner Bros. With Doris Day, Gig Young, Ethel Barrymore, Dorothy Malone. Jan. 19.

EDUCATION

Racial segregation of white & Negro students in St. Louis public high schools was ended without incident Jan. 31. Extension of desegregation to grade & technical high schools was scheduled for next September. [See Vol. XIV, p. 303D1] . . . **Georgia** Senate passed unanimously & sent the state House Jan. 24 a bill to ban use of local funds to support nonsegregated schools. A similar restriction on use of state funds already was in effect. [See p. 15E2] . . . **Natl. Education Assn.** urged in a report Jan. 22 that high schools give students more career guidance by teachers to reduce the number of students quitting school before graduation. [See Vol. XIV, p. 411F2] . . . **Assn. of American Colleges,** meeting in Washington Jan. 11-13, passed resolutions approving: a study of practices followed in granting student aid; the Supreme Court decision against racial segregation in public schools; renewal of Selective Service for 2 years & expansion of the national reserve program without adoption of Universal Military Training; federal income tax exemption for parents on their children's tuition & fees at college. Pres. Eisenhower addressed the AAC Jan. 13 and urged that colleges stress spiritual values to combat "our greatest potential enemy . . . the frank exponent of the doctrine of materialism." [See Vol. XIV, pp. 395E3, 23B2] . . . **Enrollment** in U.S. schools & colleges as estimated by the Census Bureau Jan. 19: 24,400,000 in grades one to 8; 7,700,000 in grades 9 to 12; 2,400,000 in college; 1,400,000 in kindergarten (record grand total of 36,400,000). 30,000,000 were in sub-college public schools, 4,000,000 in private & parochial schools. [See Vol. XIV, p. 435B2]

OBITUARIES

Edward H. Burns, 64, baseball writer for *Chicago Tribune;* Jan. 27 in Chicago.

Capt. Matt Ranson Coward, 60, ex-skipper of Black Diamond merchant shipping line noted for running Nazi sub blockades during World War II; Jan. 27 in Sylva, N. C.

Graham C. Dugas, 64, discoverer of gold deposit near Dahlonega, Ga. in 1939; Jan. 31 in Albany, Ga.

Salvador Gonzalez Anaya, 76, Spanish author; Jan. 30, Malaga.

Hans Hedtoft, 51, Danish Prime Min. 1947-50 & since 1953 and Social Dem. Party leader, anti-Nazi resistance leader during World War II, lithographer by profession; Jan. 29 of heart attack while in Stockholm for Nordic Council meeting. (H. C. Hansen, 49, Soc. Dem. Forgn. Min., assumed also the Prime Ministry Feb. 1.) [See Vol. XIV, p. 391F3]

Judge Camille McGee Kelley, Memphis Juvenile & Non-Support Court judge since 1920, noted for humanitarian work, 2d U.S. woman juvenile court judge; Jan. 28 in Memphis.

Peter Lawrence McLaren, 97, British mining agent & Indian fighter in Arizona in 1880s; Jan. 24 in Oakwood Heights, N.Y.

Sir Edward Mellanby, 70, English nutritionist whose research on rickets resulted in discovery of Vitamin D; Jan. 30 in London.

Dr. John R. Mott, 89, evangelist, U.S. & intl. YMCA leader, 1946 Nobel Peace Prize winner; Jan. 31, Orlando, Fla. [See Vol. VI, p. 369M]

Col. Herman Murray-Jacoby, 63, investment banker, U.S. diplomat; Jan. 26 in West Palm Beach, Fla.

Onni Myrra, 62, Finnish world record javelin thrower & Olympic champion 1915-24; Jan. 22 in San Francisco of heart attack.

Dr. Min Kemal Oke, 71, Turkish X-ray specialist; Jan. 30, Istanbul.

H. Ward Zimmer, 57, Sylvania Electric pres.; Jan. 28 in New York.

SPORTS

Winners

Golf: $15,000 Thunderbird tourney in Palm Springs, Calif.—won Jan. 31 by Shelley Mayfield, 30, of Chicopee, Mass., for $2,000; Helen Lee Doherty women's amateur tourney in Miami—won Jan. 30 by Pat Lesser, 21, of Seattle. [See p. 32G1] . . . **Horse racing:** $163,360 Santa Anita Maturity in Arcadia, Calif. Jan. 29—won by A. J. Crevolin's Determine, Ray York up, for $87,000. (Calumet Farm's Miz Clementine, Eddie Arcaro up, finished first but was placed 2d for fouling.) [See p. 24A3] . . . **Speed skating:** U.S. senior outdoor titles in St. Paul Jan. 30—retained by Ken Bartholomew, 34, of Minneapolis & Pat Gibson of Wisconsin U. [See Vol. XIV, p. 40C1]

Tennis: Australian championship finals in Adelaide—Ken Rosewall of Australia defeated Lew Hoad in men's singles, Thelma Long won women's singles and Geo. Worthington & Miss Long won mixed doubles Jan. 31; Tony Trabert & Vic Seixas of the U.S. won men's doubles Jan. 29. [See Vol. XIV, p. 435C3] . . . **Track:** Hunter Mile in Boston AA Games Jan. 29—won by Wes Santee in world indoor record time of 4 min. 3.8 sec. [See p. 32A2]

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Baseball Hall of Fame selections by a committee Jan. 31 from among players inactive more than 25 yrs.: John Franklin (Home Run) Baker, 69, ex-Phila. & N.Y. (AL) 3d baseman, & Ray Schalk, 62, ex-Chicago (AL) catcher & mgr. [See p. 32B2] . . . **Baseball player contracts** for 1955: (Jan. 27) Dusty Rhodes, star N.Y. Giant pinchhitter-outfielder, for about $15,000; (Jan. 28) Phil Rizzuto, N.Y. Yankee shortstop, for about $35,000. . . . **Stanley Benham,** Lake Placid, N.Y., a leading bobsled racer, was banned from intl. competition for 3 years by the Intl. Bobsled Fed. in St. Moritz, Switz. Jan. 29 for alleged unsportsmanlike conduct during the 1954 world championship meet, which he denied. . . . **Sammy Baugh,** 40, ex-Washn. Redskins (NFL) & TCU star, was named head football coach at Hardin-Simmons U. Feb. 1 to succeed Murray Evans. [See Vol. XII, p. 428D]

MISCELLANEOUS

Crime. Serge Rubinstein, 46, wealthy financier known for daring stock transactions & who was convicted of draft dodging in World War II, was murdered by strangulation in his bedroom Jan. 27 in his 5th Ave. mansion in New York. (Rubinstein, born in Russia, served a federal prison term May 5, 1947-Apr. 25, 1949 for draft evasion via false claims of Portuguese citizenship & indispensability to war industry. A deportation order against him, never executed pending his appeal to courts, was issued in 1952.) [See Vol. XIV, p. 13E3] . . . E. D. Wolters, 62, cashier of the First Natl. Bank of Lewisville, Tex., shot himself to death Jan. 28 while bank examiners were making an investigation that showed he had embezzled $253,000 of the bank's $662,217.13 deposits.

Juan Sanchez, leader of a Spanish robbery & murder gang responsible for many crimes in France from 1944 to 1951, was sentenced to death Feb. 1 after a trial in Lyon.

Disasters. At least 31 persons were reported killed & 100 injured in tornadoes Feb. 1 in eastern Arkansas, northwestern Mississippi & northern Alabama. . . . Loss of the British trawlers *Roderige & Lorella* with 40 men aboard in a "black frost" (freezing mist that overloads ships with ice coating) off the North Cape of Ireland was reported Jan. 27. . . . Fire blamed on an oil heater explosion caused the deaths of a man & 11 children Feb. 1 in a tenement in Amsterdam, N. Y. Similar explosions & fires proved fatal to 6 children in a farm home near Chuckatuck, Va. Feb. 1 and to 4 adults & 7 children in New York City Jan. 30-Feb. 1.

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Pvt. Stanley Melczak, 20, of Hamburg, Pa., a paratrooper, survived without serious injury a 1,000-ft. fall from a plane into a snowdrift when his parachute failed to open during maneuvers near Talkeetna, Alaska Jan. 29. . . . **Dr. & Mrs. Richard A. Sheppard** left estates totaling $196,000 with equal shares willed to their 3 sons, it was disclosed in Cleveland Jan. 27. [See p. 24C2]

Birthdays: West German Pres. Theodor Heuss observed his 71st birthday during a visit to West Berlin Jan. 31. . . . Violinist Fritz Kreisler, retired since 1950, was 80 Feb. 2.

Married: Author John O'Hara & Mrs. Katharine Barnes Bryan; Jan. 31 in New York (his 3d, her 2d).

Divorced: Actress Margaret Leighton, 32, by publisher Max Reinhardt, 39; Jan. 27 in London (adultery).